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S E C R E T SECTION 01 OF 02 BAGHDAD 001417

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FOR SECRETARY RICE AND SECRETARY GATES FROM AMBASSADOR CROCKER AND GENERAL PETRAEUS

E.O. 12958: DECL: 04/25/2017

TAGS: KNNP MOPS PARM PGOV PINS PTER TRGY IZ

SUBJECT: REMOVING IRAQ'S YELLOW CAKE

REF: A. BAGHDAD 1252 ¶B. STATE 38641

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

- 11. (U) This is an action request (see paragraph 7).
- 12. (S) SUMMARY: We believe that it is time for the US to remove the 550 tons of yellowcake uranium stored at the Tuwaitha Nuclear Research Center. We do not believe that the Iraqi government will be able to sell it to an appropriate buyer in the near future and further delay poses a growing risk of theft or misuse of the yellowcake and attendant negative repercussions for our efforts here. With U.S. combat troop presence approaching its peak, the next few months offer our best opportunity to safely remove the material. Costs incurred in the yellowcake's removal can be recovered upon completion of its sale. END SUMMARY.

PROPER DISPOSITION IS BEYOND GOI'S CURRENT CAPACITY

¶3. (S) Iraq has failed to find an appropriate buyer for the yellow cake -- currently valued at 100 million dollars -- and is unlikely to do so in the future despite our assistance. In fact, Minister of Science and Technology Ra'id Jahid has disclosed that Iraq has made no attempt to find a buyer and has not yet begun the required legal and administrative procedures necessary to complete a sale (ref a). Senior Iraqi officials on several occasions have reiterated willingness to work closely with us to remove the yellowcake immediately and accept reimbursement, less expenses, after the sale (ref a). This appears to be our best solution to the problem. It seems clear that if we do not remove it, the yellowcake will remain in an increasingly vulnerable warehouse at progressively greater risk to loss, misuse, or a sale against our interests to a buyer like Iran.

REMOVAL TOO COMPLEX FOR IRAQ

14. (S) Finding a buyer for the yellowcake, agreeing to terms, executing a sale and receiving payment are tasks that have proven beyond the capacity of the Iraqi government to execute. It is also highly unlikely that the Government of Iraq could satisfactorily comply with the numerous international shipping and safeguarding regulations on its

own. As these complexities illustrate, we cannot depend on Iraq to dispose of the yellowcake and should take measures to remove it ourselves.

15. (S) The physical removal of the yellowcake and its shipment out of Iraq, while logistically onerous, is feasible. Logistical and security contracting firms currently operating in Iraq, stand well equipped to carry out this effort. Costs incurred in the removal can be reimbursed to the US from the proceeds generated by the yellowcake's sale.

SECURITY AT TUWAITHA AT ITS PEAK

16. (S) The present coalition security infrastructure and operations, including the establishment of a Combat Outpost within the Tuwaitha complex's outer perimeter are sufficient to allow the safe removal of the yellowcake. Security at Tuwaitha is unlikely to get better than it is now. Tuwaitha's security level could begin to decrease, at least marginally, once the Combat Outpost is withdrawn, which could take place as early as August, after our troop surge passes its peak.

REQUEST DECISION TO REMOVE YELLOWCAKE

 $\P$ 7. (S) Removing the yellowcake will be complex but this is the right time to execute the mission. Indefinitely delaying the removal of over 550 tons of yellowcake uranium from a

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vulnerable warehouse storage facility is clearly not in our national interest. We urge adoption of a plan immediately to remove the yellowcake and provide for its long-term disposition, with the goal of complete removal within six months.

CROCKER